GOVERNMENT OF INDIA
LABOUR
LOK SABHA

UNSTARRED QUESTION NO:4113
ANSWERED ON:19.04.2000
INCREASE OF PENSION
VENKATA KRISHNAM RAJU UPPALAPATI

Will the Minister of LABOUR be pleased to state:

(a) whether the Government propose to increase the pension amount payable to the legal heirs/dependents of the deceased employees of Gurgaon Gramin Bank Under Employees Pension Scheme, 1995 due to increasing inflationary condition in the economy;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT

(SHRI MUNI LALL)

(a) to (c) : Under the Employees Pension Scheme, 1995, minimum amount of Family Pension for a widow and two children is Rs.750/per month. The maximum amount of family pension may go upto Rs.3,750/- per month. Under the Scheme, there is a provision for valuation of the pension fund and review of pensionary benefits on annual basis. Accordingly, on completion of the first annual valuation, an increase of 4% on pension in payment has been sanctioned to the beneficiaries w.e.f. 16.11.1996. On completion of second annual valuation, additional relief of 5.5% has been sanctioned to the pensioners w.e.f. 1.4.1998. The sanctioned relief is payable to the eligible beneficiaries including those belonging to Gurgaon Gramin Bank. The Employees Pension Scheme is a contributory scheme with limited resources. As such it is not considered actuarially desirable to burden the scheme with unlimited liability which may arise if it is linked to inflationary conditions in the economy.